



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

RQ-2

SEP 21 1994

Robert T. Matsui, Treasurer  
Democratic National Committee  
Travel-Offset Account  
430 South Capitol Street, SE  
Washington, DC 20003

Identification Number: C00281337

Reference: Amended April Quarterly (1/1/94-3/31/94, dated  
7/15/94) and July Quarterly (4/1/94-6/30/94) Reports

Dear Mr. Matsui:

This letter is prompted by the Commission's preliminary review of the report(s) referenced above. The review raised questions concerning certain information contained in the report(s). An itemization follows:

-Your report discloses no payments for administrative expenses. National party committees, other than the House and Senate Campaign Committees, are to allocate 65% of their administrative expenses and generic voter drive costs to their federal accounts in presidential election years, and 60% in all other years. The committee must file the Method of Allocation Schedule with its first FEC Form 3X submitted each year, and must indicate on the Schedule which federal percentage will be applied that year. 11 CFR §106.5(d)

Any goods or services provided to your committee by a person, except volunteer activity (i.e., a person's time), would be considered an in-kind contribution from that person, and would be subject to the disclosure requirements of 2 U.S.C. §434(b)(3) and 11 CFR §104.13, and the limitations and prohibitions of 2 U.S.C. §§441a and 441b.

Clarification regarding administrative expenses should be disclosed during each two year election cycle beginning with the first report filed in the non-election year. Please provide the necessary information regarding administrative expenses incurred by your committee and/or amend your report to disclose such expenses according to the referenced provisions of the Act and Commission Regulations.

-Your report discloses that offsets to operating expenditures (refunds, rebates, etc.) on line 15, are greater than total operating expenditures. Please amend your report to clarify this apparent discrepancy.

A written response or an amendment to your original report(s) correcting the above problem(s) should be filed with the Federal Election Commission within fifteen (15) days of the date of this letter. If you need assistance, please feel free to contact me on our toll-free number, (800) 424-9530. My local number is (202) 219-3580.

Sincerely,



Neil Evans  
Reports Analyst  
Reports Analysis Division